

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 15677
[Redacted],)	
)	DECISION
Petitioners.)	
_____)	

On February 7, 2001, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission issued a Notice of Deficiency Determination to [Redacted] (taxpayers), proposing income tax, penalty, and interest for taxable years 1995 through 1998 in the total amount of \$12,107.

The taxpayers filed a timely appeal. They did not request a hearing and did not submit additional information. Therefore, the Tax Commission, having reviewed the file, hereby issues its decision based upon the information contained in the file.

During the years in question, the taxpayers failed to file Idaho individual income tax returns even though Tax Commission records show they filed extensions of the time to file for the years 1995 through 1997 and satisfied the filing requirements stated in Idaho Code § 63-3030. They filed nothing for 1998 forward.

[Redacted]. [Redacted]. [Redacted]. [Redacted].

Idaho Code § 63-3045 (1)(a) states:

63-3045. Notice of redetermination or deficiency -- Interest.

(1)(a) If, in the case of any taxpayer, the state tax commission determines that there is a deficiency in respect of the tax imposed by this title, the state tax commission shall, immediately upon discovery thereof, send notice of such deficiency to the taxpayer by registered or certified mail or by other commercial delivery service providing proof of delivery, whichever is the most cost efficient. The notice shall be sent to the taxpayer's last address known to the state tax commission. The notice of deficiency shall be accompanied by an

explanation of the specific reason for the determination and an explanation of the taxpayer's right to appeal. Within sixty-three (63) days after such notice is mailed, the taxpayer may, at his option, file a protest in writing with the state tax commission and obtain redetermination of the deficiency.

Because the taxpayers did not file state tax returns and did not answer correspondence from the Bureau, the Bureau prepared provisional returns and issued a deficiency notice based upon information gleaned from Tax Commission records. In response to the deficiency notice, the taxpayers sent a letter stating they had filed every year and paid taxes. They submitted nothing to substantiate the claim.

When the Bureau did not receive a response to additional letters to the taxpayers, their file was transferred to the Legal/Tax Policy Division for administrative review. Neither of the taxpayers responded to a letter from the Tax Appeals Specialist that advised them of their appeal rights.

Idaho Code § 63-3030 explains the income tax act:

63-3030. Persons required to make returns of income.
[EFFECTIVE UNTIL JANUARY 1, 1996] (a) Returns with respect to taxes measured by income in this act shall be made by the following:
(1)(A) Every resident individual having for the current taxable year a gross income, as defined by section 61(a) of the Internal Revenue Code, of one thousand dollars (\$1,000) or more, except that a return shall not be required of an individual (other than an individual referred to in section 6012(a)(1)(C) of the Internal Revenue Code)—

...

The taxpayers met the requirements for filing Idaho income tax returns for 1995 through 1998. Yet, they have not filed Idaho returns for any of the years. Nothing has been submitted that would cast doubt on the Bureau's determination, which was calculated after considering taxpayers' income information [Redacted] the records retained by the Tax Commission.

A Notice of Deficiency Determination issued by the Idaho State Tax Commission is presumed to be accurate. Parsons v. Idaho State Tax Com'n, 110 Idaho 572 (Ct. App. 1986). Having

presented no information in support of their argument, the taxpayers have failed to meet their burden of proving error on the part of the deficiency determination. Albertson's, Inc. v. State, Dept. of Revenue, 106 Idaho 810 (1984).

WHEREFORE, the Notice of Deficiency Determination dated February 7, 2001, is hereby APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the taxpayers pay the following tax, penalty, and interest.

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
1995	\$2,008	\$502	\$947	\$ 3,457
1996	1,565	391	608	2,564
1997	2,014	504	607	3,125
1998	2,386	597	635	<u>3,618</u>
			TOTAL	<u>\$12,764</u>

Interest is computed through March 15, 2002.

DEMAND for immediate payment of the foregoing amount is hereby made and given.

An explanation of taxpayers' right to appeal this decision is enclosed with this decision.

DATED this _____ day of _____, 2002.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE

I hereby certify that I have on this _____ day of _____, 2002, served a copy of the within and foregoing DECISION by sending the same by United States mail, postage prepaid, in an envelope addressed to:

[Redacted] Receipt No.[Redacted]

ADMINISTRATIVE ASSISTANT 1